

# ***Retirement of Property***

## **Policies**

Property may be retired (removed from LANL stewardship) because it has been:

- abandoned
- contaminated or identified as High-Risk
- decontrolled with DOE approval
- dismantled
- donated
- excessed (see Chapter XIV, "Excess Property")
- incorporated into other property
- introduced into a radiological area
- lost, stolen, destroyed, or damaged beyond economical repair
- permanently transferred
- sold
- traded-in/replaced
- unaccounted-for in inventory

Whenever practical and cost-effective, markings identifying items as LANL property should be removed or changed prior to disposal outside of the Laboratory.

Cross-references:  
41 CFR 109-1.5106 & 1.5107  
Joints V

# *Retirement of Property*

## **Retirement Processes**

### **Abandonment/ Purposeful Destruction of Property**

#### **Policy**

Property may be abandoned or purposely destroyed upon determination that it has no remaining utility, with DOE approval. It must go through all required screenings as per Chapter XIV, "Excess Property," before it may be abandoned or destroyed.

These actions usually must be advertised through a newspaper in the vicinity of the property and/or signs posted in facilities available to the public.

They may occur without public notice only if:

- the value of the property is so little, or the cost of its care and handling so great, that its retention for sale, even as scrap, clearly is not economical
- abandonment or destruction is required by law, regulation, or directive, or because of health, safety, or security reasons

or

- the acquisition or fabrication cost was \$500 or less

*Exceptions: Quantities of controlled substances with acquisition costs of less than \$500; larger quantities that do not receive satisfactory sale bids; and surplus drugs, biologicals, and reagents are not to be abandoned. They must be destroyed in accordance with 41 CFR 101-45.902-2.*

*Also, contaminated or nuclear-proliferation-sensitive items may not be abandoned off-site. They must be decontaminated and/or returned to the Laboratory for destruction or burial.*

# ***Retirement of Property***

The request to abandon or destroy property must be approved by the line manager, PM, and DOE/AL.

41 CFR 101-45.9

41 CFR 109-45.5

## **Procedure**

The property custodian initiates the request to abandon or destroy property by memo to the property administrator (PA), who reviews the request and submits it to the line manager for approval. The request must include:

- the description, condition code, and acquisition cost of the item
- the location of the item, if abandonment is proposed
- the proposed method of destruction, if any
- a statement that the proposed abandonment or destruction will not endanger public health or infringe on anyone's rights

The line manager approves the request and returns it to the PA, who submits it to PM. If PM approves, it forwards the request to DOE/AL for final approval.

Upon receipt of the approved request, PM coordinates the abandonment. If the item does not meet the conditions listed in the policy above, public notice as per 41 CFR 101-45.9 must be given prior to the action. The new owner, if any, must indicate acceptance of ownership via memorandum. Once all documentation is complete, PM authorizes retirement of the property.

# *Retirement of Property*

## **Contaminated or High-Risk Property**

### **Policy**

Waste Management (WM) and JCI Roads & Grounds dispose of all contaminated property and materials. Those items that are property-numbered are retired after the PA receives appropriate documentation from WM or JCI.

*Note: The following procedures also apply to radiologically contaminated items not already retired (see "Introduced Into Radiological Areas" below) and high-risk property that must be destroyed (see "High-Risk Property" in Chapter XIII, "Special Materials").*

### **Procedure**

The property custodian notifies the PA of the items that must be disposed of, at least 24 hours in advance if possible. Because some contaminated property can be excessed, the custodian and PA complete a paper-version Excess Property Information Sheet (EPIS; see Appendix and "Internal Screening" in Chapter XIV, "Excess Property"). If the item is condition-coded A, B, or C, the PA contacts the JCI Property Monitor for instructions.

If the item is condition-coded D or the monitor says it cannot be excessed, the custodian contacts the organization's Waste Coordinator to arrange paperwork and pickup. The number from the Waste Profile Form generated during this process must be provided to the PA, who enters it on the EPIS. The custodian and coordinator should note on all paperwork in the general description fields that the item is property-numbered.

When the item is picked up, WM or JCI leaves one of four forms, the:

- On-Site Waste Shipping Manifest
- Uniform Hazardous Material Manifest
- Hazardous Materials Transportation Form
- Radiological Materials Transportation Form

# ***Retirement of Property***

The form also must be signed by the custodian, coordinator, or PA. If the custodian or coordinator sign, he or she is responsible for getting a copy of the form to the PA. The PA then attaches the receipt to the EPIS and forwards it to Property Accounting for retirement.

## **Decontrolled Property**

Items may be retired from PAIRS by means of a PTS when it is determined that they should not be property-numbered.

The PA processes PTS's for individual items that were property-numbered by mistake — that do not meet the criteria listed at the "Property Numbering and Record-keeping" section in Chapter I, "General Property Policies."

PM and Property Accounting may determine that a category of items should be retired. If DOE guidance does not clearly support the retirement, PM must request permission from DOE/AL in writing beforehand. When ready to retire the items, PM ensures that all PAs receive prior notice. Then PM or Property Accounting processes a PTS. A copy is sent to each affected PA with listings of retired items within his or her domain. The PAs are to mark through bar codes on the listed items within 30 days.

## **Dismantlement of Property**

### **Policy**

Property can be disabled and cannibalized with prior approval from the line manager and prior notification to the PA. Only obsolete, otherwise useless items (not working or excess quality) may be dismantled.

### **Procedure**

If a custodian wants to take apart or cannibalize a property-numbered item, the custodian must write a brief memo to the PA stating the reason the dismantlement is desired. The memo must be

# ***Retirement of Property***

approved by the custodian's line manager. After the PA has signed the memo, the item may be dismantled.

The PA then completes and distributes a PTS which states in the "Transferred to:" field, "Dismantlement." The memo and the item's bar code tag are attached to the PA's copy and filed. Property Accounting retires the item upon receipt of its PTS copy.

## **Donation**

### **Policy**

Except through exempted DOE programs (see "Note" below), the General Services Administration (GSA) has primary authority to donate Government property. Property custodians may request that their excess property be donated to specific recipients. However, the property must clear all excess screening called for in the Federal Property Management Regulations (FPMRs), including GSA, before it may be donated. All donations also must be approved in advance by DOE/LAAO, and in the case of donations to foreign donees, DOE Headquarters.

Donations may be made only to recipients meeting the criteria for a donee listed at 41 CFR 101-44.001-4: in general, public or tax-supported nonprofit agencies, and tax-exempt educational or public health organizations.

LANL may not arrange shipping of donated items, and the donee must pay any packing and transportation costs.

# *Retirement of Property*

PM is responsible for ensuring that all donations proceed in compliance with the FPMRs.

ALPMI 109-44.102  
41 CFR 101-43.001-31, -44 & -45.901(c)  
41 CFR 109-44  
U.S. Public Law 94-519

*Note: Items provided through the K-12 Gift Program do not require external screening, and ERLE grants do not require GSA screening (see Chapter XIV, "Excess Property"); however, specific donees may not be designated through these programs.*

## **Procedure**

A custodian wishing to donate an item of excess property to a specific recipient notifies the PA of this when he or she complete the EPIS. The PA should inform the requestor that depending on the item's condition and value, it may only be donable if it is not requested by someone else at the Lab, in the K-12 program, in DOE, and throughout the federal and all state governments. The PA also should confirm through the PS that the proposed donee is acceptable under the FPMRs.

If the custodian still wishes to pursue donation, the custodian writes a memo naming the desired recipient and a contact person, and describing how the recipient will use the property. The PA passes this memo to the PS and comments in the item's PAIRS record, "Donation requested."

JCI notifies the PS when the property either is excessed from the Lab or clears all required screening and is released back to LANL by GSA. In the former case, the PS notifies the custodian that the item will not be available for donation. Otherwise the PS reviews the FPMRs for any specific instructions, reviews the memo for completeness, and requests revisions as needed. He or she then

# ***Retirement of Property***

forwards it, with a cover memo requesting approval, to DOE/LAAO (and Headquarters if required).

If permission is received, the PS instructs R&M to release the item to the donee. R&M prepares a Material Shipping Report (MSR; see Appendix), by which the donee accepts ownership upon pick-up, and arranges transfer. R&M and the donee each keep copies of the MSR, and others are sent to Property Accounting, the PS, and DOE/LAAO. Property Accounting then retires the item from PAIRS, and the PS notifies the PA and custodian that the item has been donated.

## **Incorporated Property**

### **Policy**

Incorporated property is that which has been added to another property item, such as a circuit board installed in a computer. Items must be inspected by a PA before incorporation and retirement.

*Note: Off-site items (items on change of station, loans, GFP, etc.) may not be retired through this policy.*

### **Procedure**

Upon receipt of a property-numbered item that is to be incorporated into another item, the property custodian notifies the PA. The PA completes and distributes a PTS that notes the property number of the item into which the incorporated item is added. The item then may be installed (the bar-code label should be marked through as retired, but left on the incorporated item if possible). Property Accounting retires the item in PAIRS and adds its acquisition value to that of the item into which it is incorporated.



# *Retirement of Property*

## **Introduced into Radiological Areas**

### **Policy**

All property items, regardless of dollar value, introduced into radiological areas may be retired at the time of introduction if they eventually will be disposed of as hazardous waste. This maintains the accuracy of PAIRS while avoiding possible increased exposure to workers trying to identify property during disposal.

Items will be introduced into radiological areas only if absolutely necessary.

### **Procedure**

When the property custodian has introduced or allowed introduction of an item under his or her stewardship into a radiological area, the custodian signs an affidavit (see Appendix, Introduction of Property into Radiological Area) declaring that the item:

- cannot be decontaminated (if required) and reused

*therefore*

- cannot be declared excess property

*and*

- will be disposed of as hazardous waste through the radiological waste process according to DOE and LANL guidelines

The affidavit specifies the radiological area (TA, Building, Room) into which the item has been taken. It must be signed by the custodian and the PA, who sends the affidavit along with a Property Transfer Slip (PTS; see Appendix) to PM. PM then authorizes retirement of the item.

# ***Retirement of Property***

Reports listing the number of items retired under this policy and their value are provided annually to the LANL Director.

## **Lost, Stolen, Destroyed, or Damaged Property**

### **Policy**

Property that has been lost, stolen, destroyed, or damaged beyond use is retired based upon a request from the line manager and supporting documentation.

### **Procedure**

As soon as the property custodian realizes the item is missing, destroyed, or damaged, he or she must report it to the PA. If the item is missing or appears purposely damaged, he or she also must report it to the Facilities, Security & Safeguards Special Projects Office (FSS/SPO) within 24 hours. If possible within that time, the PA should fill out a Missing Item Checklist (see Appendix) to narrow the search for a missing item.

*Note: This procedure applies to all government property, not just property-numbered items.*

If the damage or destruction appears accidental, the custodian prepares a detailed memorandum to PM documenting how the damage occurred. His or her line manager must approve the memo and send it to PM with a request to retire the item. The Property Management Team Leader and the PS perform a formal review of the circumstances. The team leader either approves the memo and recommends appropriate action to prevent reoccurrence, or returns it for more information.

If PM believes purposeful damage or negligence may have occurred, it notifies the FSS/SPO immediately and forwards a copy of the memo.

# ***Retirement of Property***

When an item is reported missing to FSS, it reviews the circumstances to establish whether the item was stolen and provides a report to PM. If FSS considers the item stolen, PM authorizes retirement immediately as follows.

Once the Property Management Team Leader approves the custodian's memo and/or receives the OS/SPO's report on the matter, PM prepares a Report of Lost, Destroyed, or Damaged Property, Form 1278 (RLDD; see Appendix) to authorize retirement. The RLDD must be signed by the appropriate PA and line manager and the PM group leader. A copy of the signed RLDD goes to Property Accounting to authorize retirement. The RLDD will be reviewed for HR and reported to DOE accordingly.

A report of stolen items is provided to the DOE annually by OS/SPO.

## **Permanent Transfers**

### **Policy**

The title to property can be transferred without screening through the excess process under some circumstances. Specifically:

- the recipient must be DOE, another federal agency, a DOE Managing & Operating Contractor, or a DOE subcontractor. Transfer recipients usually have a contract, loan, or — if an M&O or subcontractor — a grant from the DOE
- for off-site property, the expense and labor for maintaining records, transporting the property back to LANL, or storing the property should be greater than the value of the property
- the property center must determine that the item would be under-utilized if returned, and that there

# *Retirement of Property*

is no overriding need for the property elsewhere within LANL

## **Procedure**

The property custodian sends a memo to his or her PA requesting a permanent transfer. The request should include the following:

- property description(s) — property number, name, manufacturer, model
- current custodian and location
- year of acquisition and original cost
- description of condition
- name and address of recipient
- loan, contract, or grant number, if any, and the date of expiration
- justification for the transfer
- why the item(s) probably wouldn't be used if returned—obsolescence, age, condition, etc.

The custodian must attach an acknowledgment of the intent to accept title and accountability for the item, obtained from a representative of the recipient with the authority to do so.

The PA reviews and verifies the request, signs it, and seeks approval from the line manager. The PA then sends the approved request to the PM group leader for his or her approval.

*Note: DOE/LAAO approval must be sought and received by PM for transfers under grants or contracts that office administers.*

## ***Retirement of Property***

For a transfer to a federal agency, once all required approvals are received, the property's recipient prepares a Form SF-122, Transfer of Excess Personal Property (see Appendix), and sends it to PM. The PM group leader or designee signs it and sends copies to the PA and property custodian.

When the signed SF-122 is received, the PA